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## Thailand

### Grain and Feed

### Weekly Rice Price Update

**2008**

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**Report Highlights:**

Enquiries for new-crop white rice (2008/29) were quiet as foreign buyers continue buying old-crop white rice from recent government intervention stock releases. The high-priced intervention program for MY2008/09 main crop will likely continue until the start of the second crop despite the recent election of a new Prime Minister and the impending new cabinet which will be formed next week.

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Trade Report  
Bangkok [TH1]  
[TH]

**Indicative Prices (Week Ending Dec. 15):**

Thailand: Export (FOB) Prices for various grades of rice (USD/M.T.)									
	Exporter Observations							Period Avg.	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	750	780	775	-	760	730	-	759	765
WR 100 B	530	550	530	540	540	530	530	536	536
PB 5%	-	550	530	540	540	530	510	533	537
WR 5%	500	540	520	530	530	500	520	520	521
WR 10%	490	-	-	-	-	490	-	490	488
WR 15%	440	-	-	-	-	475	-	458	455
WR 25%	410	-	-	-	-	415	-	413	415
WR 35%	-	-	-	-	-	-	-	-	-
A 1 SUP	265	-	-	-	270	290	280	276	293
A 1 SPEC	-	-	-	-	-	-	-	-	-
Source: Average actual prices received from exporters, Exchange rate: 34.6 baht/U.S.\$									

**Market Tone**

Export prices remained fairly stable despite the strengthening of the Thai baht to 34.6 baht, compared to around 35.4 in the previous week. Enquiries for new-crop white rice (2008/29) were quiet as foreign buyers continue buying old-crop white rice from recent government intervention stock releases. These stock releases have caused old-crop Thai white rice quotations to be lower than current new-crop Vietnamese rice by \$50-\$60/MT. Shipments of old-crop white rice to African countries continued with contracted prices below \$300/MT for 5% grade white rice. Some exporters reportedly lowered their new-crop white rice quotations to compete with Vietnamese rice. However, offer price reductions are limited by the current intervention program which has spent approximately 14 billion baht (\$405 million) to absorb paddy from the market.

The high-priced intervention program for MY2008/09 main crop will likely continue until the start of the second crop despite the recent election of a new Prime Minister and the impending new cabinet which will be formed next week. Meanwhile, more intervention stock releases in the short-term are unlikely as the new cabinet may take a more conservative approach. By the end of MY 2008/09, ending February 2009 will see total intervention stocks should increase to 7-8 million tons, of which 2.3 million tons are old-crop rice (mostly MY2007/08 second crop) bought in at the record intervention prices.

The following are the reported rice exports (as is basis):

WEEK ENDING	QUANTITY	4-WK AVG	YEAR TO DATE	YEAR AGO	YEAR TO DATE AS % OF LAST YEAR
	(MT)	(MT)	(TMT)	(TMT)	%
Oct 19	132,978	112,830	6,702	4,604	45.6
Oct 26	71,415	97,279	6,773	4,807	41.0
Nov 2	54,637	64,757	6,754	5,005	36.4
Nov 9	81,977	85,252	6,836	5,209	31.2
Nov 16	87,896	73,981	6,997	5,405	29.4
Nov 23	51,310	68,955	7,049	5,614	25.6
Nov 30	55,287	69,118	7,104	5,829	22.0
Dec 7	68,265	65,689	7,172	5,977	20.0
Dec 14	91,039	66,475	7,263	6,162	18.0

*Note on data: Export figures since March 22, 2002, do not include fragrant rice. The authority to report fragrant rice exports was moved from the Thai Board of Trade to the Ministry of Commerce's Office of Commodity Standards, which does not release official fragrant rice export data. FAS/BKK will report only official export numbers from the Board of Trade for non-fragrant and from the Office of Commodity Standards for fragrant rice when available, but the reader should bear in mind the difference between the data.*

Unofficial exports (excluding fragrant rice) for Dec. 8-14, 2008 totaled 91,039 tons up 22,775 tons from the previous week, and up 24,564 tons from the four-week moving average of 66,475 tons. Exports during Jan. 1 – Dec. 14, 2008 totaled 7,263,379 tons, as compared with 6,161,715 tons in the previous year.

According to the Department of Foreign Trade, Ministry of Commerce, total rice exports (including fragrant rice) during Jan. 1 – Dec. 12, 2008, amounted to 9,631,655 tons, up 9.2 percent from 8,817,566 tons in the previous year.

## Weekly Rice Sales

Private registered rice export sales for the period of Nov. 24-28, Dec. 1-5, and Dec. 8-12, 2008 are as follows:

Movement (MT)	Nov. 24-28	Dec. 1-5	Dec. 8-12
Weekly sales	86,181	64,284	90,756
4 week sum	228,304	211,938	271,899
4 week mov. avg.	57,076	52,985	67,975
Total weekly sales	6,381,551	6,445,835	6,536,591

End of Report.